

The Menominee Indian Tribe of Wisconsin



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MENOMINEE TRIBE, CITY OF KENOSHA AND KENOSHA COUNTY SIGN AGREEMENT FOR PROPOSED ENTERTAINMENT CENTER AND CASINO

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*Intergovernmental Agreement includes more than \$521 million to City and County over first 22 years;
\$1.5 million annual gift to Kenosha schools; initial \$5 million contribution to charities;
and comprehensive responsible gaming program*

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Agreement is strong demonstration of local support to federal Bureau of Indian Affairs

KENOSHA, Wis. – Menominee Tribal Chairman Michael Chapman, Kenosha County Executive Allan Kehl and Kenosha Mayor John Antaramian today signed an Intergovernmental Agreement (IGA) for the Tribe's proposed entertainment destination center and casino at Dairyland Greyhound Park, saying the development will strengthen Kenosha, the Menominee Tribe and the State of Wisconsin. Under the agreement, the City and County will receive more than \$521 million over the facility's first 22 years of operations, and the Kenosha Unified School District will receive a gift of \$1.5 million annually from the Tribe. In addition, the Tribe will make an initial \$5 million contribution to help support Kenosha's public museums and address other charitable, cultural and community needs.

"This is a positive step forward for our project and for the Kenosha community as a whole," Chapman said. "We have worked hard with City and County leaders to develop an agreement that benefits all parties. Independent experts have confirmed that this is a strong, solid agreement that will allow us to develop a project that brings many positives to Kenosha and Wisconsin, including thousands of good-paying jobs with benefits, money for local schools and citizens in need and a real economic boost for this region."

Signing caps off strong show of local support

The City voted 13-2 to approve the agreement on March 7. The County Board approved the IGA by a 22-5 vote on March 15. Kenosha County voters overwhelmingly endorsed the casino project by a 12-percent margin in the November election. In 1998, a similar referendum supporting a Kenosha casino also passed by a strong margin.

"It's clear that there is solid support for this project in our community, and with this IGA in place, Kenosha and its citizens will benefit from the outstanding facility the Menominee hope to develop," Antaramian said. "As the Bureau of Indian Affairs reviews the Tribe's proposal, we want them to know that Kenosha welcomes this project – and the Menominee Tribe."

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Kehl pointed out that the final IGA was the result of lengthy and thorough negotiations.

“Discussions were excellent and candid, with a lot of give and take from all sides,” he said. “We were able to work together cooperatively and effectively, and have laid the groundwork for a positive, mutually beneficial relationship in the future. This is an exciting time for Kenosha County – the Menominee entertainment center and casino will be a tremendous asset to our community, our region and the State of Wisconsin as a whole.”

Money for government, schools and public purpose

The IGA calls for the Tribe to pay the City and County a percentage of the casino’s net win – 3 percent for the first eight years and 4 percent every year after that for 20 years, at which time the agreement can be renegotiated. Those payments – expected to total \$521 million over the first 22 years – will cover municipal services such as law enforcement, fire protection, sewer and water service, as well as compensate for lost property taxes on the land. The City and County have agreed to split the payments 67/33, with the City getting the larger portion.

The IGA also outlines how the Kenosha Unified School District, its students and teachers will benefit from the entertainment center and casino. Under the agreement, the Tribe will donate \$1.5 million a year to KUSD, to be used at the District’s discretion. In addition, the agreement calls for the City to contribute \$500,000 of the casino money it receives each year to KUSD, and for the County to distribute \$500,000 of its payment annually to the school districts located west of Interstate 94 in Kenosha County.

“The Menominee Tribe has a deep commitment to education, community stewardship and building for the future, and we are excited about the impact \$2.5 million per year for Kenosha schools will have,” Chapman said. “In addition to creating thousands of local jobs and a stronger Kenosha economy, this project will help give Kenosha’s teachers and administrators the support they need to create stronger local schools and students.”

Other provisions of the IGA include:

- The Tribe will establish a charitable contributions policy and create and implement a contributions program with citizen input. The Tribe will also make a \$5 million contribution to the City and County when it closes on the sale of the Dairyland site. The City will use its portion to establish a trust fund to support the City’s public museums and reduce their dependency on tax dollars, as well as a trust fund to help the community’s homeless people. The County will use its portion to address cultural and charitable needs countywide.
- The Tribe will enact a comprehensive responsible gaming policy and program, including developing videos, brochures and other materials to promote responsible gaming; training employees to identify and assist potential problem gamblers; collaborating with local media to promote responsible gaming; making financial contributions to organizations that assist problem gamblers in Kenosha County; and more.
- The Tribe will waive its sovereign immunity in connection with disputes or claims arising under the IGA and has consented to be sued in the federal courts or state courts should the situation arise.

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- The Kenosha Police Department and Kenosha County Sheriff's Department will have jurisdiction over the entertainment center and casino grounds, and will have the authority to enforce all non-gaming criminal laws on the trust land.
- The facility will comply with all state and federal laws regarding the sale of alcohol beverages.
- The Tribe will establish a minority recruitment and retention policy that requires the facility to comply with the goal of 25 percent minority employment. In addition, the Tribe will establish a supplier diversity program that includes preference and goals for local and minority contractors.
- The facility will comply with all state public health and safety standards for public buildings. In addition, the Tribe will adopt ordinances mirroring City and County ordinances governing land use, smoking and other public health standards, noise control and shore land/flood plain.
- The 223-acre Dairyland site fulfills the needs of the Tribe's master plan for Kenosha. The Tribe will not seek expansion of federal trust land in Kenosha beyond that 223 acres without the written consent of the City and County.

In a separate agreement, the Tribe has agreed to adopt a sales tax equal to the State's sales tax to cover all sales and transactions that occur on the Dairyland site. The Tribe has agreed to pay the County 30 percent of the tribal sales tax collected for a period of 20 years. After 20 years, the percentage paid to the County will be 20 percent. The County estimates it will receive approximately \$450,000 per year under this arrangement, and that the economic expansion generated by the casino will result in an increase in County sales tax of about \$350,000 per year.

The Tribe has also negotiated a tourism payment with the Kenosha Area Tourism Corporation. Under that agreement, the Tribe will collect a hotel room tax at a rate equal to the room tax charged by all of the communities in Kenosha County. The Tribe will pay the tourism corporation 90 percent of the tax collected for as long as the Tribe operates a hotel on the Dairyland site. That revenue will be used to support Kenosha tourism.

The establishment of a Menominee casino in Kenosha was outlined in amendments to the Menominee gaming compact. The federal Bureau of Indian Affairs is in the process of evaluating the Tribe's application to take the Dairyland site into trust and supporting documentation – including the IGA – to determine whether the Tribe's proposal will be in the best interest of the Tribe and not detrimental to the surrounding community. Before the Bureau can grant final approval, Gov. Jim Doyle must concur with the Bureau's determination.

Chapman said the Tribe is grateful to the Kenosha community for its support.

"The land that is now Wisconsin has been home to the Menominee for thousands of years. We care about our state, we care about Kenosha, and we want to have a positive impact on the future," he said. "As we move forward with our plans in Kenosha, we continue to be grateful for the warm welcome and cooperative spirit this community has shown us. We take seriously the trust the people of Kenosha have placed in us, and we are committed to working with the City, the County and the State to develop a successful and mutually beneficial project."